

STATE OF INDIANA)
) SS:
COUNTY OF MARION)

BEFORE THE INDIANA
COMMISSIONER OF INSURANCE

CAUSE NUMBER: 7670-CO09-0129-001

Membersselect Insurance Company
Respondent,

1 Auto Club Driver
Dearborn, MI 48126

NAIC No.: 21229

)
)
)
)
)
)
)

FILED

MAR 09 2009

STATE OF INDIANA
DEPT. OF INSURANCE

FINAL ORDER

The Indiana Department of Insurance ("Department") and Membersselect Insurance Company, Inc., ("Respondent"), an insurance company licensed to do business in Indiana, signed an Agreed Entry which purports to resolve all issues involved in the action by the Department relating to a complaint by Daniel J. Ormos, an Indiana resident, and which has been submitted to the Commissioner of Insurance (the "Commissioner") for approval.

The Commissioner, after reviewing the Agreed Entry, finds it has been entered into fairly and without fraud, duress or undue influence, and is fair and equitable between the parties. The Commissioner hereby incorporates the Agreed Entry as if fully set forth as attached as Exhibit A herein, and approves and adopts in full the Agreed Entry as a resolution of this matter.

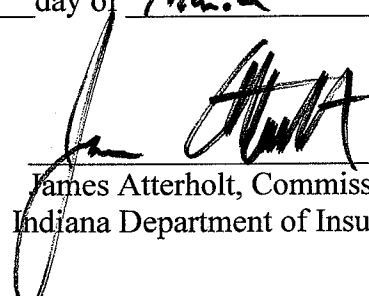
IT IS THEREFORE ORDERED, ADJUDGED AND DECREED by the Commissioner of Insurance:

1. Respondent failed to conduct a reasonable investigation of Mr. Ormos' claim in violation of Indiana Code § 27-4-1-4.5(4).
2. Respondent will pay to the Department the amount of One Thousand Dollars

(\$1,000.00) within thirty (30) days of the Commissioner's Final Order.

3. The Department agrees to accept Respondent's compliance with the terms of this agreement as full and final resolution of all issues in regard to their handling of Mr. Ormos' claim.
4. This Order does not relate to or apply in any manner to any employee, agent, officer or director of Respondent or its affiliates and will not be regarded as a reportable sanction to the National Association of Insurance Commissioners ("NAIC") or other regulatory bodies as to any employee, agent, officer or director of Respondent or its affiliates in response to questions 12 and 16b of the NAIC biographical affidavit for directors and officers.

ALL OF WHICH IS ORDERED this 9 day of March 2009.


James Atterholt, Commissioner
Indiana Department of Insurance

Distribution:

Nikolas P. Mann
INDIANA DEPARTMENT OF INSURANCE
311 West Washington Street, Suite 300
Indianapolis, Indiana 46204-2787

Membersselect Insurance Company
1 Auto Club Driver
Dearborn, MI 48126

STATE OF INDIANA)
) SS:
COUNTY OF MARION)

BEFORE THE INDIANA
COMMISSIONER OF INSURANCE

CAUSE NUMBER: 7670-CO09-0129-001

IN THE MATTER OF:

Memberselect Insurance Company
Respondent,

1 Auto Club Driver
Dearborn, MI 48126

NAIC No.: 21229

)
)
)
)
)
)
)
)

FILED

MAR 09 2009

STATE OF INDIANA
DEPT. OF INSURANCE

AGREED ENTRY

This Agreed Entry is executed by Nikolas P. Mann, Attorney for and on behalf of the State of Indiana, Indiana Department of Insurance ("Department"), and Memberselect Insurance Company ("Respondent"), an insurance company with a certificate of authority to do business in Indiana, to resolve all issues relating to a complaint by Daniel J. Ormos, an Indiana resident. This Agreed Entry is subject to the review and approval of James Atterholt, Commissioner of the Indiana Department of Insurance.

WHEREAS, Respondent is an insurance company with a statutory home office located in the State of Michigan and is authorized to do business in the State of Indiana; and,

WHEREAS, Mr. Ormos was a third party involved in a collision with a vehicle driven by a person insured by Respondent; and,

WHEREAS, Respondent failed to complete a reasonable investigation of Mr. Ormos' claim; and,

WHEREAS, the Department and Respondent desire to resolve their differences and settle the issues without the necessity of a hearing;

IT IS, THEREFORE, NOW AGREED by and between the parties as follows:

1. The Commissioner has jurisdiction over the subject matter and Respondent in this administrative action.
2. This Agreed Entry is executed voluntarily by the parties.
3. Respondent voluntarily and freely waives the right to a public hearing.
4. Respondent voluntarily and freely waives the right to judicial review of this matter.
5. Respondent failed to conduct a reasonable investigation of Mr. Ormos' claim in violation of Indiana Code § 27-4-1-4.5(4).
6. Respondent agrees to pay to the Department the amount of One Thousand Dollars (\$1,000.00) within thirty (30) days of the Commissioner's Final Order.
7. The Department agrees to accept Respondent's compliance with the terms of this agreement as full and final resolution of the complaint by Mr. Ormos.
8. Respondent has carefully read and examined this agreement and fully understands its terms.
9. This Agreed Entry does not relate to or apply in any manner to any employee, agent, officer or director of Respondent or its affiliates and will not be regarded as a reportable sanction to the National Association of Insurance Commissioners ("NAIC") or other regulatory bodies as to any employee, agent, officer or director of Respondent or its affiliates in response to questions 12 and 16b of the NAIC biographical affidavit for directors and officers.

3/3/09
Date Signed

Nikolas P. Mann
Nikolas P. Mann, Attorney
Indiana Department of Insurance

3-2-09
Date Signed

Charles J. Mazzola
Charles J. Mazzola, Senior Vice President,
MemberSelect Insurance Company

STATE OF MICHIGAN)
) SS:
COUNTY OF WAYNE)

Before me a Notary Public for WAYNE County, State of Michigan,
personally appeared CHARLES J. MAZZOLA, MemberSelect Insurance Company,
and being first duly sworn by me upon his oath, says that the facts alleged in the foregoing
instrument are true.

Signed and sealed this 2ND day of MARCH, 2009.

Crystal E. Gillespie
Signature

CRYSTAL E. GILLESPIE
Printed

My Commissioner expires: _____

County of Residence: _____

CRYSTAL E. GILLESPIE Notary Public, State of Michigan County of Wayne My Commission Expires Apr. 17, 2014 Acting in the County of <u>WAYNE</u>
--